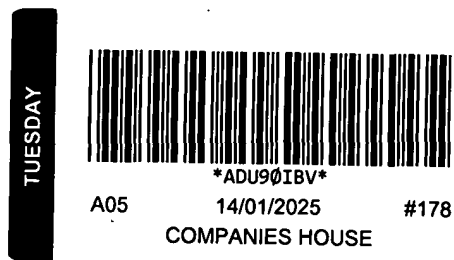




Annual Report and Accounts
for the year ended
31st August 2024



Registered Company Number: 961616

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Prep Schools Trust Schools and their Heads



Andrew Boyle



Fred de Falbe



Christine Cook



George May



Bennjamyn Smith



Kate Martin

Legal and administrative information

Trustees:

Emma McKendrick (Chair)	J P Spencer
L M E Newcombe	J Stanley (appointed 1 February 2024)
A J Derham	M Beard (appointed 1 February 2024)
J C Pain	C Hargreaves (appointed 1 June 2024)
The Countess of Darnley	M Donger (resigned 26 September 2023)
T J Gibson	W H Pitman
F Burkitt	H Lindsell (appointed January 2024)

E D Bottari (resigned 31 December 2023)

Executive Board

Chief Executive:	T Beardmore-Gray
Chief Operating Officer:	K Sandhu (left 17 April 2024)
Chief Operating Officer:	S Meikle (appointed 2 September 2024)
Director of Marketing:	J Fitzroy-Ezzy
Head of HR:	J Wareing

Biographies of the Trustees and Executive Board can be found on the Prep Schools Trust website.

Registered Office: 7 Cothill
Abingdon
Oxon
OX13 6JN

Company Number: 961616

Charity Number: 309639

Professional advisors

Auditor: Wenn Townsend
Chartered Accountants and Statutory Auditor
Oxford

Bankers: Barclays Bank plc
Oxford

Handelsbanken
Oxford

Solicitors: Stone King LLP
Bath

Introduction from the Chair of Trustees

Opening this year's Senior Leaders' Conference for Prep Schools Trust, I suggested that 'there is no more important job than the education of young people and if we believe in the same thing, educating children and excellence, we will thrive and have a bright future ahead'. Themes for that Conference included the challenges and opportunities facing the independent schools' sector in the next decade, which include the growing complexities associated with school leadership and artificial intelligence..

As we build futures full of promise for our children in PST schools, helping every child reach their full potential and providing the exceptional education we stand for, we are well aware of the external challenges we have to ensure that we are prepared for, supporting our schools to navigate through while maintaining the expected standards and successes.



Trustees intend to continue expanding the number of PST schools. In January we were delighted to welcome Beeston Hall School into PST and look forward to West Hill Park School joining next year.

I continue to be grateful to all staff across our schools who are committed to the provision of the very best education, care and opportunities in line with the Trust's values and ambitions and to all those at the Trust Office who provide invaluable support to our schools. I am grateful to fellow trustees for their time and commitment and look forward to continuing to work closely with them and staff in the year ahead.

Tom Beardmore-Gray has announced his intention to retire in July 2025 after 7 years as Chief Executive. He has taken PST to its current position with a strong and growing group of schools providing highly-respected educational and co-curricular provision, a clear ethos and determination to serve our families to the highest standards. Trustees are most grateful for Tom's commitment and service.

Emma McKendrick

Message from the Chief Executive

July's General Election and the new government heralded the anticipated introduction of VAT on independent schools fees, but not its early introduction in January 2025. The new tax brings considerable challenges to the whole sector. At the Trust we are focused on maintaining the quality and breadth of the education we offer whilst taking proactive steps to contain costs. While pupil numbers at Trust schools are currently stable, we are not immune from the predicted fall in pupil numbers in independent schools in the period ahead.



In April our oldest school, Cothill, announced a move towards becoming a fully integrated co-educational school for boarding and day pupils by September 2025. This decision reflects the changing market for prep education and will provide interesting opportunities. After distinguished tenures as Deputy Head and Head,

Mrs Kate Martin is leaving Mowden Hall School in December 2024 to move to Sedburgh Prep School. We thank her for her service and wish her the very best for the future. We are also most grateful for the service of Mrs Christine Cook who retires in July 2025 after 7 years as Head of Chandlings Prep. Mrs Cook was previously a teacher and Director of Studies at Chandlings.

Conscious of the need to ensure that all our school facilities are used to their full potential and generating adequate non-school fee revenue, the Trust has this year created a new role of Commercial Manager. Investment in school facilities continues, the most notable improvements being the new dining facilities at Barfield and Kitebrook and a significant upgrade to the theatre at Mowden Hall. Plans are now being drawn up to refurbish Beeston Hall's music school which, subject to successful fundraising, should be completed during the summer of 2025. We are most grateful to the generous donors who have supported these projects.

The collaborative nature of Prep Schools Trust continues to benefit staff and pupils across our organisation. We are expanding the number of Trust activities for pupils, this year adding a Trust Concert involving 175 pupils at St Edward's School in Oxford. We continue to prioritise training and development for leaders, teachers and support staff across the Trust, making the most of the wide range of expertise available in our schools.

This will be my last report as Chief Executive. I am proud of all that our schools are achieving as my tenure draws to a close. I believe that the Trust is well positioned to champion high quality education as a charity in the decades ahead.

Tom Beardmore-Gray

About us

Objectives and activities

Our mission is to deliver outstanding preparatory education and pastoral care as a family of schools, giving our pupils the opportunity, skills and confidence to prepare them for their future.

The Trust provides support and expertise to our schools in support of this mission. Our ethos is to celebrate individuality and the freedom of childhood; the best traditions of British primary education and deliver exceptional academic teaching and pastoral care as a family of schools.

Each school has its own unique personality but all our schools share consistent values: putting our pupils first; performing to the highest standards; pooling our strengths to collaborate and achieve more; innovating by anticipating change and adapting to it; and looking beyond the school gates to support the wider local communities.

Most importantly, we prioritise the development of our pupils and we treat each pupil as an individual.

Involvement with local primary schools through the provision of teaching, shared facilities and specialist services is a further important aspect of the Trust's public benefit.

Structure, governance and management

Prep Schools Trust currently operates six prep schools, Cothill House (boys boarding and day, 7 to 13+), Chandlings Preparatory (Co-educational day, nursery to 11+), Kitebrook Preparatory (Co-educational day, nursery to 8+ and day and boarding 8 to 13+), Mowden Hall School (Co-educational day, nursery to 13+ and Co-educational boarding 8 to 13+), Barfield School (Co-educational day nursery to 11). Beeston Hall School (Co-educational day, Reception to Y2 and Co-educational day and boarding Y3 to 13+) joined the Trust in January 2024.

Prep Schools Trust is governed by a Board of Trustees (see page 4 for details) who delegate management responsibility for our schools to the Chief Executive. The Board meets at least four times annually and is assisted by three sub committees, the Finance Committee, the Education Committee and the Nominations & Governance Committee.

Each school has a Head Teacher responsible for day to day operations. Each school is supported by a Local Advisory Board, the Chair of which is a PST trustee. Regular management meetings are held between the schools' senior leadership teams and staff at Trust Office.

The Board of Trustees comprises experts in education and a range of professional disciplines. Many of our Trustees have sent their own children to Trust schools. Collectively they have a wide breadth of expertise, experience and knowledge.

Trustees are appointed in accordance with the Memorandum and Articles of Association.

The principal responsibilities of the Trustees are to:

- Set the Trust's strategy
- Monitor performance against key performance indicators
- Ensure that the Trust has policies that provide adequate internal control and mitigate risk
- Maintain the financial stability of the Trust.

Trustees' induction and training

Trustees are briefed on their obligations under charity and company law, the content of the Memorandum and Articles of Association, the Code of Governance, the decision-making processes and the strategic plan. Trustees are encouraged to attend appropriate external training events where these will facilitate the performance of their role.

Strategic report

The Trustees present their report and the audited financial statements of the charity for the year ended 31st August 2024. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and since the year-end are listed on page 4.

The Board of Trustees sets the strategy for the Trust and focuses on the provision of an outstanding education for pupils in the Trust's schools.

The Trustees have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 when performing their duties under S172.

Achievements and performance

The Trust's performance can be measured by progress against its 6 strategic objectives.

Grow school fee income

School fee income has increased due to pupil increase. The number of pupils during the year was 1,093 (excluding Beeston Hall). (2023: 1,059)

Acquire new Prep schools

Beeston Hall joined the Trust in January 2024, its sixth school. The Trust continues to consider further opportunities for further growth.

Refine services provided by Trust Office

The Trust is continuously reviewing the level of expertise and service provided to our schools by the Trust Office. The Trust Office has refined or enhanced its capability in various functions during the year.

Invest in our estate

Each of our schools is working through programmes of work determined by recent condition surveys. During the year a new Dining Hall and kitchens were opened at Barfield School and Mowden Hall School's new theatre was opened in September 2024.

Diversification of income

Further to fundraising successes at Cothill House and Mowden Hall, further fundraising campaigns to support the development of our schools are being planned, including refurbishment of the Music School at Beeston Hall.

Become an employer of choice in the sector

Following a survey to gain the views of staff across the Trust, various initiatives were implemented. These include further development of the Trust Leadership Forum and the launch of an Employee Assistance Programme. We continue to look into further benefits we could offer to all employees and ensure staff have suitable spaces for non-contact time.

Financial review

Prep Schools Trust applied its income received during the year to the cost of operating schools at Cothill House, Chandlings, Kitebrook, Mowden Hall, Barfield and Beeston Hall.

The results for the year are shown in the income and expenditure account on page 15.

The Trust produced a surplus for the year of £1.84m (2023: surplus of £24k) when including the £2.4m of Beeston Hall.

Payroll costs were 69.5% of income (excluding transfer of Beeston (2023: 67%).

Public benefit and social responsibility

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Educational

- The independent sector as a whole provides excellence in “challenging subjects”.
- While nationally the number of children studying languages has declined, the Trust continues to teach all children modern foreign languages.
- All children are screened for Special Educational Needs. The provision of specialist support to those identified with needs is in itself a public good.
- The standards of the Trust's education are reviewed annually against national benchmarks and the Trust's educational provision exceeds those benchmarks.
- The Trust uses its own resources to recruit people into the teaching profession, to induct and train them. These employees are actively assisted in achieving Qualified Teacher Status, which allows teachers to move to the maintained sector should they wish.

Wider community and partnerships

- The Trust constantly seeks new ways in which to deliver its charitable objects to a young public without regard to wealth, race, religion, social or academic status.
- The Trust's schools have continued to build on links with their local communities and schools in the maintained sector as well as pupils fundraising to support a wide range of local and national charities.
- Partnerships and community engagement activities include:
- Organising a range of sports events and involvement in local partnerships such as Beeston Hall's work with the Cromer & Sheringham Schools Sports Partnership and Chandlings Prep hosting events for West Oxford and Abingdon Primary Schools
- Staff volunteering to support specialist teaching in local primary schools, for example Cothill's Director of Music teaches Years 3-6 at Dry Sandford School, Kitebrook staff support PE, Spanish and Music in local primary schools and Barfield's partnership work with Puttenham Infant and Ridgeway SEN schools
- PST schools regularly provide access to their facilities for local state schools, particularly for sports. Mowden Hall School organised History and STEM events to which local schools were invited and in July organised an overnight stay with two days of activities for Y3 pupils of Morpeth Road Primary School, Blyth, free of charge, providing life changing experiences for several of the children. Kitebrook School welcomes local schools to its Forest School, the Cultural and Rural Crafts Programme, as well as Art Masterclasses and Maths Challenge.
- PST staff volunteer their time to several schools as governors; Mowden Hall continues its partnership with the WISE Multi-Academy Trust.

Access to Our Schools

- Bursaries: it is important that access to the education we offer is not restricted only to those who can afford our school fees. The Trust has a bursary policy which is reviewed regularly by Trustees, who are committed to broadening access to the Trust's schools by offering means-tested financial support to parents. Bursaries may be awarded to pupils in Year 3 and upwards in the form of a discount of up to 100% of the tuition fees, depending on the financial circumstances of applicant parents.
- The Trust financially supported 28 families during the year, excluding any staff or HM Forces discounts, with bursary values ranging from 10 to 100%.

Principal risks and uncertainties

Risk is assessed in terms of significant matters which may prevent the Trust from achieving its strategic objectives. The health, safety, welfare and safeguarding of the children in the Trust's care are paramount. The Trustees take this responsibility very seriously, ensuring its policies are appropriate and implemented in each school. The Trustees are aware of the financial risks associated with the Trust's activities and are focused on managing the Trust's financial position and performance.

As a result of July's General Election and the new Labour Government, their pledge to impose VAT on independent school fees was confirmed as expected; unexpectedly however, was the implementation date of 1 January 2025 rather than the new school year, September 2025. This decision is a considerable blow to independent schools, and has been challenged by the representative bodies. While the full 20% new tax has to be charged to parents, PST, in common with all independent schools, reviewed budgets and plans, as well as likely VAT rebates on its expenditure with a view to reducing the base schools fees chargeable. Trustees agreed that from 1 January 2025 school fees will increase by 14%.

Risk management

The Trust has established systems which under normal conditions should allow identified risks to be mitigated to an acceptable level in its day to day operations.

Specific risks that have been considered are safeguarding, pupil numbers, cash flow, reputational issues, and uncertain economic and political conditions. A traffic light system alerts Trustees to specific risks and changes as they arise and how they are mitigated.

Safeguarding

Trustees are committed to the highest standards of safeguarding and the welfare of the Trust's pupils. Staff and Trustees receive appropriate training on a regular basis and are committed to ensuring that pupils are protected and enjoy a safe environment.

Reserves policy

Trustees plan to borrow to invest in the development of the Trust, funding interest and loan repayments out of current income. As is the case with many schools and educational groups, the Trust has no free reserves nor is it anticipated that free reserves will be available in the near future. Reserves are monitored termly by reference to cash flows projected to the end of the academic year and for a further three years.

Investment policy

The Trust holds no permanent endowment. Any temporary surplus cash is held on short term deposits to secure a high rate of interest.

Plans for future periods

The Trust will continue contributing to its schools in accordance with its charitable objectives. The Trust is committed to the wider community and fulfilling its charitable status. Further, the Trust will continue to seek opportunities for strategic acquisitions and mergers with other similar educational establishments in order to further fulfil its objectives.

Charitable and company status

Prep Schools Trust is a company which does not have share capital and is limited by the guarantee of the members to a maximum of £1 each. The membership at 31st August 2024 was 13 (2023: 10). The Trust is governed by the Memorandum and Articles of the company.

Fundraising Activities

The Trust has continued to raise funds to invest in the development of Trust schools through liaising with school alumni, current and former parents, and other stakeholders. Any fundraising activity is monitored and guided by the Executive Board and Trust Development and Alumni Relations Manager. The Trust is registered with the Fundraising Regulator and is committed to following the Code of Fundraising Practice. No complaints were received by the Trust regarding these fundraising activities.

Employees

Prep Schools Trust recognises that in order to achieve its goal of being the best prep schools group in the UK, we must develop and invest in our people. Attracting and retaining able and committed staff is a key objective. We believe in fostering an environment where staff feel valued and empowered to contribute their very best and develop to their full potential.

Fair consideration is given to any applications for employment from registered disabled persons, with due regard to their aptitudes and abilities. Disabled employees are given equal opportunity with regards to career development and promotion, as well as ongoing training needs. Sympathetic consideration is given to the retention of any newly disabled employee, including affording, if required, a period of rehabilitation and training.

The Trust strives to enhance diversity and has an action plan targeted at narrowing the gender pay gap.

Key Management Personnel Remuneration

Trustees consider the Chief Executive, the Chief Operating Officer, the Director of Marketing, the Head of HR and Head of each Trust School to be the key management personnel of the charity. The remuneration of the key management personnel is reviewed annually by the Nominations & Governance Committee.

Governance of Environmental and Sustainability issues

Prep Schools Trust is committed both to its staff leading by example and to educating its pupils about environmental and sustainability issues. Each school has devised policies and objectives.

During the reporting year 2023-24 a range of sustainability actions were implemented to the facilities including the following:

- Installation of solar panels on the new Dining Room at Kitebrook and new Sports Centre at Cothill House.
- Replacement boilers in the main plant room at Chandlings
- An improved cover on the pool at Barfield to improve efficiency
- Repairs on the roof and guttering on the Performing Arts building at Mowden Hall
- Continued phased replacements of LED lighting and implementation of motion sensors across the schools
- An action plan to reduce emissions over the coming years includes the continuation of a phased programme of replacement LED lighting and improvements to the insulation of the buildings through improvements to windows, doors and roof spaces.

Greenhouse gas emissions, energy consumption and energy efficiency

Emissions of carbon dioxide equivalent during the year ended 31st August 2024 (CO₂e (tonnes)) were as follows:

	2024	2023
Combustion of Gas (natural and LPG)	1,441.45	1,601.85
Consumption of fuel for the purposes of transport	65.98	54.70
Consumption of Oils for heating and hot water	572.97	431.96
Purchase of Electricity	41.29	58.79
Use of Water	16.47	15.97
Total	2,138.16	2,163.27
 Number of Pupils	 1086	 1,053
Intensity ratio (Total/Pupil numbers)	1.97	2.05

The largest proportion of energy use and associated emissions arise from gaseous fuel combustion, primarily for heating and hot water, as expected. The second largest proportion of energy use and associated emissions arises from electricity usage, primarily for lighting, kitchen equipment and IT.

The Trust continues to enlist the services of an external contractor to identify and advise on how schools can be more efficient in their use of energy.

Third party indemnity provisions

The Trust has in place directors' and officers' liability insurance for the purpose of indemnifying the Trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. This insurance was in force during the year, and is in force as at the date of approving this report.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Prep Schools Trust for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In approving the Trustees' Annual Report, the Trustees also approve the Strategic Report included therein, in their capacity as company directors.

Signed on behalf of the Board



E E A McKendrick
Chair of the Trustees

3 December 2024

Independent Auditor's Report to the members of Prep Schools Trust

Opinion

We have audited the financial statements of Prep Schools Trust (the 'charitable company') for the year ended 31st August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st August 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the members of Prep Schools Trust (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims;
- Enquiry of entity staff in accounting and HR functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;

Independent Auditor's Report to the members of Prep Schools Trust (continued)

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing detailed audit work over the risk of timing issues within the recognition of both fee and non-fee income and the override of controls in this area by management, in particular with regards to fee concessions awarded. This included full reconciliations of fee income recognised compared to student numbers and fee rates, as well as detailed substantive testing of concessions awarded on fees, and non-fee income arising in the period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Rodzynski FCA (Senior Statutory Auditor)
For and on behalf of Wenn Townsend, Chartered Accountants, Statutory Auditor
Oxford

16 December 2024

Prep Schools Trust
Statement of Financial Activities (including income and expenditure account)
for the year ended 31st August 2024

		Unrestricted Funds £'000	Restricted Funds £'000	2024 Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	2023 Total £'000
Income and endowments from:							
Income from charitable activities	Note						
Fees	2	22,916	(21)	22,895	19,481	-	19,481
Other educational income	3	1,269	-	1,269	810	-	810
Ancillary income	4	573	-	573	351	-	351
Donations	5	-	250	250	3	587	590
Other income							
Funds transferred in from Beeston Hall	25	2,060	386	2,446	-	-	-
Investment income		-	3	3	-	-	-
Gain on disposal of property	11	-	-	-	4	-	4
Total income		26,819	618	27,437	20,649	-	21,236
Expenditure on:							
Raising funds:							
Overdraft and loan interest		111	-	111	45	-	45
Fee composition discount		10	-	10	4	-	4
Other development costs		21	-	21	22	-	22
		142	-	142	71	-	71
Charitable activities	6	25,423	17	25,440	21,107	34	21,141
Other expenditure	11	-	-	-	-	-	-
Total expenditure		25,565	17	25,582	21,178	34	21,212
Net gains/(losses) on investments		-	(16)	(16)	-	-	-
Net income/(expenditure)		1,254	585	1,839	(529)	553	24
Transfer between funds		3,680	(3,680)	-	-	-	-
Net movement in funds		4,934	(3,095)	1,839	(529)	553	24
Reconciliation of funds							
Fund balances brought forward at 1st September 2023		31,559	3,880	35,439	32,088	3,327	35,415
Fund balances carried forward at 31st August 2024		36,493	785	37,278	31,559	3,880	35,439

Prep Schools Trust

Balance Sheet
31st August 2024

		2024 £'000	2023 £'000
	Note		
Fixed assets			
Tangible assets	11	43,987	30,846
Investments	12	114	-
		<u>44,101</u>	<u>40,846</u>
Current assets			
Stock	13	147	115
Debtors	14	733	597
Cash at bank and in hand		2,967	2,984
		<u>3,847</u>	<u>3,696</u>
Creditors: Amounts falling due within one year	15	(6,430)	(8,189)
Net current assets		<u>(2,583)</u>	<u>(4,493)</u>
Total assets less current assets		<u>41,518</u>	<u>36,353</u>
Creditors: Amounts falling due after one year	16	(4,240)	(914)
Net assets		<u><u>37,278</u></u>	<u><u>35,439</u></u>
Funds			
Unrestricted funds			
Revaluation reserve	19	15,340	15,433
Income and expenditure account	19	17,443	16,096
Designated fund	19	3,710	30
		<u>36,493</u>	<u>31,559</u>
Restricted funds			
Restricted funds	19	782	3,880
		<u>37,278</u>	<u>35,439</u>

The financial statements were approved and authorised by the Board on 3 December 2024.

Signed on behalf of the Board



E E A McKendrick
Chair of PST Board



F Burkitt
Chair of PST Finance Committee

The notes on pages 18 to 31 form part of these financial statements.

Prep Schools Trust
Cash Flow Statement
for the year ended 31st August 2024

Reconciliation of net income to net cash inflow from operating activities:

	2024 £'000	2023 £'000
Net income for year	1,839	24
Interest payable	111	45
Impairment/depreciation of tangible fixed assets	703	475
(Gain)/Loss on disposal of tangible fixed assets	-	(4)
(Increase)/Decrease in stocks	16	(11)
(Increase)/Decrease in debtors	(32)	(266)
(Increase)/Decrease in accrued income for sale of property	(136)	-
Increase in creditors	157	1,239
New fees in advance	1,268	285
Fees in advance applied in year	(149)	(74)
Fees in advance refunded in year	(59)	-
Fee composition discount	10	4
Capital income re Fixed assets transferred from Beeston Hall	(1,898)	-
Cash flow from operating activities	1,830	1,717
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(2,076)	(5,653)
Receipts from sale of tangible fixed assets	-	5
Net cash flow from investing activities	(2,076)	(5,648)
Cash flow from financing activities:		
Receipts from issue of new long term loans	500	2500
Interest paid	(121)	(49)
Repayment of loans	(150)	-
Net cash flow from financing activities	229	2,451
Increase in cash and cash equivalents	(17)	(1,480)
Cash and cash equivalents at 1st September 2023	2,984	4,464
Cash and cash equivalents at 31st August 2024	2,967	2,984
Cash and cash equivalents consist of:		
Cash at bank and in hand	2,967	2,984
Cash and cash equivalents at 31st August 2024	2,967	2,984

Prep Schools Trust
Notes to the Accounts
for the year ended 31st August 2024

1. Summary of significant accounting policies

General information and basis of preparation

Prep Schools Trust is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are included in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019;
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- The Charities Act 2011;
- The Companies Act 2006; and
- UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Trust identifies each school as representing a separate geographical area of operations. As such, in the event of the closure of a school, this is considered to be a discontinued operation. The income and expenditure directly attributable to this site is disclosed as discontinued operations on the face of the SOFA in accordance with the requirements of section 5 of FRS 102.

Funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Prep Schools Trust

Notes to the Accounts (continued) for the year ended 31st August 2024

1. Summary of significant accounting policies (continued)

Income recognition (continued)

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes of interest paid and fee composition discounts;
- Expenditure on charitable activities includes the operating costs of the schools in the Trust; and
- Other expenditure represents those items not falling into the categories above.

VAT is charged as an expense against the activity for which expenditure arose.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative and payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 6.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land, historic and residential buildings	Nil
Freehold buildings – school buildings/additions	2% Straight line
Assets under the course of construction	Nil
Computer equipment	14-33.33% Straight line
Other equipment, fixtures and fittings	5-20% Straight line
Vehicles	10-25% Straight line

Investments

Investments in subsidiaries are measured at cost less impairment.

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Prep Schools Trust

Notes to the Accounts (continued) for the year ended 31st August 2024

1. Summary of significant accounting policies (continued)

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Group accounts

The Charity does not prepare group accounts as its subsidiary entities are deemed immaterial to the group.

Prep Schools Trust
Notes to the Accounts (continued)
for the year ended 31st August 2024

2. School fees

	2024 £'000	2023 £'000
Fees	24,684	20,606
Discounts and awards	(1,789)	(1,125)
	<u>22,895</u>	<u>19,481</u>

£21k of discounts and awards was attributable to restricted funds.

3. Other educational income

	2024 £'000	2023 £'000
Music tuition and associated income	67	52
Extra tuition	320	204
Occasional boarding and summer lets	529	318
Other income	353	236
	<u>1,269</u>	<u>810</u>

None of the above income was attributable to restricted funds in either period.

4. Ancillary income

	2024 £'000	2023 £'000
Other income	573	351
	<u>573</u>	<u>351</u>

None of the above income was attributable to restricted funds in either period.

5. Donations and grants

	2024 £'000	2023 £'000
Donations	250	590
	<u>250</u>	<u>590</u>

Donations include £250k (2023: £587k) attributable to restricted funds.

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

6. Charitable activities

	Staff Costs £'000	Other Costs £'000	2024 Total £'000	2023 Total £'000
Teaching	12,505	1,702	14,207	11,953
Welfare	1,398	2,180	3,578	2,890
Premises	738	3,345	4,083	3,391
Support costs of education	2,308	1,264	3,572	2,908
	<u>16,949</u>	<u>8,491</u>	<u>25,440</u>	<u>21,142</u>

£17k (2023: £34k) of the above expenditure was attributable to restricted funds

The major components of support costs include:-

	2024 £'000	2023 £'000
Administrative staff costs	2,275	1,902
Postage, stationery, telephone and other administrative costs	278	297
Advertising for staff and promotion	222	195
Bad debts	18	(7)
Legal and professional fees	612	389
Recruitment fees	98	67
Bank charges	6	4
Governance costs (see note 7)	63	61
	<u>3,572</u>	<u>2,908</u>

7. Governance costs

	Staff Costs £'000	Other Costs £'000	2024 Total £'000	2023 Total £'000
Staff	33	-	33	36
Audit	-	30	30	25
	<u>33</u>	<u>30</u>	<u>63</u>	<u>61</u>

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

8. Staff costs and employee benefits

	2024 £'000	2023 £'000
Staff costs		
Wages and salaries	14,264	11,909
Social security costs	1,177	1,038
Pensions	1,508	1,203
	<u>16,949</u>	<u>14,150</u>

	2024 FTE	2024 Number	2023 FTE	2023 Number
Average number employed including Trustees:				
Trustees	15	15	10	10
Teachers	275	400	225	339
Household	54	90	44	68
Administration	68	75	55	58
	<u>412</u>	<u>580</u>	<u>334</u>	<u>475</u>

Number of employees who received total employee benefits (excluding employer pensions costs but including termination costs) of more than £60,000 is as follows:

	2024	2023
£ 60,001 - £ 70,000	5	2
£ 70,001 - £ 80,000	1	1
£ 80,001 - £ 90,000	2	1
£ 90,001 - £100,000	1	-
£100,001 - £110,000	-	2
£110,001 - £120,000	1	-
£120,001 - £130,000	1	2
£130,001 - £140,000	1	1
£150,001 - £160,000	-	1
£170,001 - £180,000	-	-
£180,001 - £190,000	1	1

Total termination payments during the year amount to £173k (2023: £298k). These are recognised in expenditure when settlement agreements are reached.

Pension schemes

The Trust participates in the Aviva Pension Trust for Independent Schools ("APTIS") for its teaching staff. The pension charge for the year includes contributions payable to APTIS of £1.24m (2023: £983k).

APTIS is a defined contribution pension scheme developed by Aviva in association with the Independent Schools' Bursars Association. Members contribute on a "pay as you go" basis with contributions also made by the Trust.

Non-teaching staff are offered membership of defined contribution pension schemes. The pension charge for the year includes contributions of £264k (2023: £220k).

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

9. Trustees and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during this or last year.

The total amount of employee benefits received by key management personnel is £1,121k (2023: £1,042k). The Trustees consider its key management personnel during the period comprising the Board of Trustees, the Chief Executive, the Chief Operating Officer and the Head of each Trust school.

Eleven Trustees were reimbursed for travel expenses totalling £6,754 (2023: five reimbursed for travel expenses totalling £3,975) during the year.

10. Net resources expended

		2024	2023
		£'000	£'000
Results for the year are stated after charging:			
Depreciation:	owned assets	703	475
Auditor's fees:	audit work	30	25
	non-audit work	-	1
Operating leases:	equipment	-	-
	motor vehicles	128	92

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

11. Tangible fixed assets

	Vehicles	Computers	Fittings, Fittings & Equipment	Freehold Land & Buildings	Assets under the course of construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
1st September 2023	160	312	1,863	37,006	7,527	46,868
Additions	-	-	205	93	1,778	2,076
Transfers in from Beeston Hall	130	229	1,197	3,061	-	4,617
Transfers	-	-	-	8,598	(8,598)	-
31st August 2024	290	541	3,265	48,758	707	53,561

Depreciation and impairments

1st September 2023	130	278	1,241	4,373	-	6,022
Depreciation	7	21	128	547	-	703
Transfers in from Beeston Hall	129	215	861	1,644	-	2,849
31st August 2024	266	514	2,230	6,564	-	9,574

Net book value

31st August 2024	24	27	1,035	42,194	707	43,987
31st August 2023	30	34	622	32,633	7,527	40,846

The Trustees elected, in accordance with Section 35.10(d) of FRS 102, to use the carrying value on 1 September 2014, the date of transition to FRS 102, of any of the above freehold land and buildings previously carried at a valuation, as their deemed cost and it is the company's policy not to revalue fixed assets. The surplus of a previous revaluation over cost had been credited to a revaluation reserve which now stands at £15.3m (Note 19). The original purchase price (historic cost) is £14.4m.

Tangible fixed assets with a net book value of £13,079k (2023: £7,321k) have been pledged as security for liabilities of the charity.

No properties were sold by the Trust during the year.

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

12 Fixed asset investments

	Unlisted Investments	Listed Investments	Total
	£'000	£'000	£'000
Cost or valuation			
1st September 2023	-	-	-
Transfer from Beeston Hall	-	130	130
Revaluation	-	(16)	(16)
At 31st August 2024	-	114	114
	<u> </u>	<u> </u>	<u> </u>
 Net book values	 £'000	 £'000	 £'000
At 31st August 2023	-	-	-
	<u> </u>	<u> </u>	<u> </u>
At 31st August 2024	-	114	114
	<u> </u>	<u> </u>	<u> </u>

The net book value of the
unlisted investments is £100

The Trust owns 100% of the allotted share capital of the following undertaking:

	Country of registration	Class of share capital	Nature of business	Capital and reserves at	Profit for year
				2024 £	2024 £
PST Enterprises Limited	England and Wales	Ordinary	Events	<u>101,738</u>	<u>291,115</u>

13 Stocks

	2024 £'000	2023 £'000
Stock - consumables	<u>147</u>	<u>115</u>

Prep Schools Trust
Notes to the Accounts (continued)
for the year ended 31st August 2024

14 Debtors

	2024	2023
	£'000	£'000
Trade debtors	381	113
Other debtors	11	6
Prepayments and accrued income	341	478
	<u>733</u>	<u>597</u>

15. Creditors: amounts falling due within one year

	2024	2023
	£'000	£'000
Bank loan	300	2,500
Trade creditors	4,525	3,287
Other taxation and social security	325	266
Other creditors	1,049	592
Accruals and deferred income	231	1,544
	<u>6,430</u>	<u>8,189</u>

Trade creditors include £600k (2023: £133k) for fees received in advance for the academic year 2024/25 under the fees in advance scheme and £216k (2023: £45k) for the following Spring and Summer terms. The bank overdraft is secured - see note 17 for details.

16. Creditors: amounts falling due after one year

	2024	2023
	£'000	£'000
Bank loan	2,550	-
Other creditors	1,690	914
	<u>4,240</u>	<u>914</u>

Other creditors include £756k (2023: £153k) for fees received in advance for academic years 2025/26 onwards under the fees in advance scheme.

17. Bank overdraft, loan facility and loans

The bank loan of £2.5m has an interest rate of 1.8% over the Base Rate

The Trust's bank borrowings are secured by a debenture and fixed charge over some of its freehold property and land.

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

18. Deferred income under the fees in advance scheme

During the year fees amounting to £1,268k (2023: £285k) were received in advance for pupils for future years. Fees released to income amounted to £149k (2023: £72k), and £59k (2023: £16k) were refunded to parents. Fee composition discounts of £10k (2023: £4k) were charged to expenditure..

All amounts owing at 31st August 2024 are shown as liabilities in notes 15 and 16.

19. Funds

	Restricted donations fund	Restricted Beeston Foundation	Restricted Whittaker Trust	Total Restricted	Designated Funds	Revaluation reserve	Income & expenditure	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1st September 2023	3,880	-	-	3,880	30	15,433	16,096	35,439
Surplus/(deficit) for the year	231	3	(35)	199	-	-	(806)	(607)
Transfers between funds	(3,680)	-	-	(3,680)	3,680	(93)	93	-
Transfer from Beeston Hall	-	166	220	386	-	-	2060	2,446
At 31st August 2024	431	169	185	785	3,710	15,340	17,443	37,278

The restricted donations fund balance carried forward includes £352k raised for a Theatre at Mowden Hall (2023: included £3,617k for Cothill Sports Hall). The final balance on the Cothill Sports Hall fund of £3,680k was transferred to designated (unrestricted) funds on completion of the project.

Beeston Foundation and Whittaker Trust funds were established to fund both bursaries and other general needs of Beeston Hall school. The policy in relation to these funds is to release a proportion of the income generated by these funds each year to fund bursaries for Beeston Hall pupils as applied for by families and then approved by the trustees

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

20. Analysis of net assets between funds

	Restricted donations fund	Restricted Beeston Foundation	Restricted Whittaker Trust	Total Restricted	Designated fund	Revaluatio n reserve	Income and Expenditure	Total 2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Fund balances at 31st August 2024 are represented by:								
Tangible fixed assets	354	-	-	354	3,710	15,340	24,583	43,987
Investments	-	-	114	114	-	-	-	114
Net current assets/(liabilities)	77	169	71	317	-	-	(2,900)	(2,583)
Long term liabilities	-	-	-	-	-	-	(4,240)	(4,240)
	<u>431</u>	<u>169</u>	<u>185</u>	<u>785</u>	<u>3,710</u>	<u>15,340</u>	<u>17,443</u>	<u>37,278</u>

21. Related party transactions

Mr T Beardmore-Gray, Chief Executive, is a Director of the Association of Governing Bodies of Independent Schools (AGBIS). During the year to 31st August 2024, payments made to AGBIS amounted to £2,040 (2023: £10,464). There was nothing outstanding at the year end (2023: £nil).

Prep Schools Trust

**Notes to the Accounts (continued)
for the year ended 31st August 2024**

22. Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

Expiring:

	2024 £'000	2023 £'000
Within one year	153	99
Within two and five years	382	195
	<u>535</u>	<u>294</u>

23. Future capital commitments

	2024 £'000	2023 £'000
Expenditure authorised and contracted for	70	-
	<u>70</u>	<u>-</u>

24. Events after the end of the Period

The Transfer Deed with West Hill Park School was signed on 12 November 2024 with the intention of the School joining PST on 1 January 2025, subject to completion of the Department for Education's processes.

Items within the Government's Budget of 30 October, including a significant increase to employer's national insurance contributions and confirmation that VAT will be charged on school fees from 1 January 2025 requires PST, along with most independent schools, to review its levels of income and expenditure for 2024-25.

25. Additions to the Prep Schools Trust

Transfer of Existing Beeston Hall School to the Prep Schools Trust

On 1 January 2024 Beeston Hall School transferred to Prep Schools Trust and all the operations and assets and liabilities were transferred for £nil consideration

The assets and liabilities were transferred with no fair value adjustments

	Value Reported by transferring school	Transfer in recognised
	£'000	£'000
Fixed assets		
<u>Tangible fixed assets</u>		
Freehold Land and Buildings	1,416	1,416
Fitting, Fixtures and Equipment	337	337
Computer	15	15
Investments	130	130
Other assets		
Stock	29	29
Debtors due in less than one year	187	187
Cash in bank and in hand	810	810
Liabilities		
Creditors due in less than one year	(478)	(478)
Net Assets/(liabilities)	<u>2,446</u>	<u>2,446</u>

Recognition in the SOFA	Unrestricted Funds	Restricted Beeston Foundation	Restricted Whittaker Trust	Total
	£'000	£'000	£'000	£'000
Transfer from Beeston Hall School	2,060	166	220	2,446
	<u>2,060</u>	<u>166</u>	<u>220</u>	<u>2,446</u>